



U.S. DEPARTMENT OF ENERGY  
Office of Electricity Delivery and  
Energy Reliability

# ENERGY ASSURANCE DAILY

Friday, March 03, 2006

## *Electricity*

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### **U.S. Energy Secretary Says Transmission Grid Expansion Must Begin Now**

On March 2, US Energy Secretary Samuel Bodman said expansion and modernization of the nation's power grid must begin now in earnest because of demand growth projections and the 10 to 15 year lead times associated with transmission projects. Bodman also said the Department of Energy is developing a study for Congress on transmission congestion that will help him decide whether to designate power "corridors" where bottlenecks need to be relieved for the "national interest." Such a designation would allow the Federal Energy Regulatory Commission to use eminent domain authority to ensure major transmission chokepoints are eliminated.

<http://www.platts.com/Electric%20Power/News/7307390.xml?S=n>

### **Rochester Public Utilities Asking for Emergency Powers to Repair Critical Facility to Avoid Threat to System Integrity**

Rochester Public Utilities is asking for the emergency authority needed to expedite repairs at a critical facility. The only unit in the city having self-starting capability has been found to need more than \$1 million of repairs in order to work. The facility is seen to be critical to restarting the system in the event of a major power interruption.

[http://pro.energycentral.com/professional/news/power/news\\_article.cfm?id=6401254](http://pro.energycentral.com/professional/news/power/news_article.cfm?id=6401254)

### **Susquehanna Nuclear Plant Declares Alert When Fire Suppression System Activated**

PPL evacuated a security building near the reactor building and declared an alert when the fire suppression at its Susquehanna Steam Electric Station in Luzerne County, Pennsylvania was activated during the night of March 2. According to the Pennsylvania Emergency Management office, the incident is under investigation and there was no release of radiation at the 2,216 MW facility.

Reuters, 16:02 March 2, 2006

[http://pro.energycentral.com/professional/news/power/news\\_article.cfm?id=6397652](http://pro.energycentral.com/professional/news/power/news_article.cfm?id=6397652)

### **NRC Okays Power Increase at Vermont Yankee Nuclear Plant**

The Nuclear Regulatory Commission announced that it will allow a 20 percent increase in the output of the Vermont Yankee nuclear generating station in Vernon, Vermont. The upgrade will add approximately 100 MW of capacity to the plant. During the two years while the request was under review, Vermont Yankee was preparing for the increase by replacing or upgrading equipment and adding extra nuclear fuel.

[http://pro.energycentral.com/professional/news/power/news\\_article.cfm?id=6401338](http://pro.energycentral.com/professional/news/power/news_article.cfm?id=6401338)

### **Update: Entergy's 979 MW Indian Point Unit 2 At Full Power in New York March 3**

The 979 MW Indian Point unit 2 at Entergy's Indian Point nuclear generating station in New York was operating at full power by early morning on March 3 according to a report by the Nuclear Regulatory Commission. The unit was shut on March 1 when 12 control rods dropped into the reactor core. Entergy reported to the NRC that although eight of the rods did not fully insert into the core because of problems, all systems worked properly to shut the reactor. An investigation determined that the rods dropped because a manual disconnect switch for a power control cabinet was open while scaffold work was underway in the area.

Reuters, 07:19 March 3, 2006.

## Petroleum

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### **Pipeline Rupture and Oil Spill Shut 100,000 b/d from Alaska's Prudhoe Bay**

A BP crude oil pipeline in the Prudhoe Bay field on Alaska's North Slope that ruptured early on March 2, has been shut and sealed on both ends to isolate the leak. The pipeline connects two gathering centers in the western part of the Prudhoe field. These facilities, which produce 100,000 b/d have also been shut. Workers have recovered 62 barrels of oil of an undetermined amount that leaked. BP said it does not know if the spill will affect shipments from Prudhoe Bay.

<http://www.platts.com/Oil/News/9612663.xml?S=n>

[http://today.reuters.com/news/articleinvesting.aspx?type=bondsNews&storyid=URI:urn:newsml:reuters.com:20060302:MTFH09790\\_2006-03-02\\_23-43-49\\_N02422553:1](http://today.reuters.com/news/articleinvesting.aspx?type=bondsNews&storyid=URI:urn:newsml:reuters.com:20060302:MTFH09790_2006-03-02_23-43-49_N02422553:1)

### **OPEC President Says World Oil Markets Oversupplied by 2 Million B/D**

Speaking before the National Press Club in Washington, DC, OPEC President Edmund Daukoru said world oil markets are oversupplied by about 2 million b/d.

Reuters, 13:12 March 3, 2006.

### **ConocoPhillips On Schedule to Restore Full Operations at Belle Chasse Refinery in Louisiana by End of First Quarter**

On March 3, ConocoPhillips announced that it is on track to restart and return to full operations at its 247,00 b/d Belle Chasse refinery in Louisiana by the end of the first quarter. Although some units were restarted in January, other units have been shut since the refinery was damaged by Hurricane Katrina in August last year.

Reuters, 11:11 March 3, 2006.

### **Murphy to Restart Meraux Refinery in Louisiana in April**

On March 3, Murphy Oil Corp announced that it will restart its 120,000 b/d refinery in Meraux, Louisiana in April. The refinery has been out of service since it was damaged in late August by Hurricane Katrina.

Reuters, 09:09 March 3, 2006.

## Other News

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### **Horizon Ethanol Opens New Ethanol Plant in Iowa**

Business Wire

Reuters 06:37 March 3, 2006.

## Energy Prices

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U.S. Oil and Gas Prices March 3, 2006			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	63.61	60.48	53.70
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	6.59	7.39	6.51

Source: Reuters

## Energy Notes

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### EPA to Finalize Yucca Mountain Radiation Standards by the End of the Year

[http://pro.energycentral.com/professional/news/power/news\\_article.cfm?id=6397246](http://pro.energycentral.com/professional/news/power/news_article.cfm?id=6397246)

### Sierra Club Suit Challenges Permit for Wisconsin Public Service Power Plant

[http://pro.energycentral.com/professional/news/power/news\\_article.cfm?id=6397156](http://pro.energycentral.com/professional/news/power/news_article.cfm?id=6397156)

### Bill Proposed in California that Would Prohibit Electricity Produced from Coal-fired Plants

NGI's Power Market Today, March 3, 2006.

[http://pro.energycentral.com/professional/news/power/news\\_article.cfm?id=6401356](http://pro.energycentral.com/professional/news/power/news_article.cfm?id=6401356)

### Canadian Electricity Association Calls for Greater Cross-Border Cooperation in Generation and Transmission

[http://pro.energycentral.com/professional/news/power/news\\_article.cfm?id=6400478](http://pro.energycentral.com/professional/news/power/news_article.cfm?id=6400478)

### Sea Breeze Power Withdraws Application for Underwater DC Cable in British Columbia

Reuters, 20:26 March 2, 2006.

## Links

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### *This Week in Petroleum* from the Energy Information Administration (EIA)

<http://tonto.eia.doe.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

### *Weekly Petroleum Status Report* from EIA

[http://www.eia.doe.gov/oil\\_gas/petroleum/data\\_publications/weekly\\_petroleum\\_status\\_report/wpsr.html](http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html)

Updated after 1:00 PM EST every Wednesday.

### *Natural Gas Weekly Update* from EIA

<http://tonto.eia.doe.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM EST every Thursday.

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